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C O N F I D E N T I A L ASUNCION 000689

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E.O. 12958: DECL: 08/19/2015  
TAGS: [PREL](#) [PGOV](#) [PTER](#) [KCRM](#) [MASS](#) [PA](#)  
SUBJECT: PARAGUAY: SOUTHCOM COMMANDER CRADDOCK SUPPORTS  
STRENGTHENED COOPERATION

REF: ASUNCION 0430

Classified By: A/DCM James P. Merz. Reason: 1.4(b),(d).

11. (SBU) Summary. Southcom Commander General Bantz Craddock visited Paraguay 6/26-6/29, ostensibly to observe the Fuerzas Commando competition for anti-terror units from 14 countries including the U.S., but took advantage of the trip to meet with Paraguay's Vice-President, Minister of Defense, and Commander of the Armed Forces and visit Ciudad del Este. VP Castiglioni appealed for greater military cooperation with the U.S. particularly as pertains to assistance on logistics, intercept capabilities, and equipment. MOD Gonzalez supported continued joint U.S.-Paraguayan military exercises but conveyed concern about potential Paraguayan Congressional resistance to the extension of immunities to U.S. soldiers for a new round of exercises in 2007. Armed Forces Commander, General Kanazawa expressed support for continued military exercises but is not prepared to defend those exercises with Congress. Kanazawa conveyed his concerns about Venezuelan President Hugo Chavez and the Bolivarian Movement. The press focused on the General's visit to TBA but generated little controversy as he described the visit as an introduction to the region and stressed the U.S. desire to cooperate with Paraguay in response to its needs. Colombia won the Fuerzas Commando exercise for the second year in a row with the U.S. placing third and Paraguay placing tenth -- a considerable improvement over its last place performance last year. End Summary.

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VP Seeks Strengthened U.S. Cooperation  
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12. (C) In his meeting with Gen. Craddock, Vice-President Castiglioni stressed the importance of addressing Paraguay's security concerns as part of its efforts to strengthen its democracy and improve the climate for investment and development. Paraguay was committed to tackling illicit activity in the Tri-Border Area (TBA); it was in U.S. vested interests to promote security in the TBA as it would produce dividends in terms of the security situation in Paraguay and the region as a whole. Castiglioni appreciated the U.S. Congressional concerns that inspired the restrictions imposed by Article 98 but maintained time was of the essence for Paraguay to meet its security challenges now while they were still manageable. He hoped the U.S. could find creative ways to overcome obstacles to providing assistance to Paraguay which he described as a "close ally" of the U.S. Castiglioni appealed specifically for the following forms of assistance.

-- Logistical support: Castiglioni said that Paraguay has six helicopters but only two are operational (thanks to USD 100,000 in assistance in funds provided by DEA). He appealed for support to make the others operational. He also flagged the Air Force's need for airplane support enabling it to enjoy greater overall mobility -- a key to responding to emerging threats in the interior. (NOTE: Paraguay has seven (7) helicopters, according to DAO records. End Note.)

-- Intercept capability: Paraguay has no radar capability. It plans to acquire a primary radar for the airport in Asuncion but appealed for assistance in acquiring secondary radars to better surveil airspace in outlying areas. He spoke specifically of acquiring the capability to intercept unidentified aircraft suspected of trafficking drugs.

-- Better equipment: Paraguay's military budget is almost entirely dedicated to salary for military officials. It desperately needs assistance to acquire equipment, including weapons, to meet emerging challenges in the country's interior.

13. (C) General Craddock conveyed support for GOP efforts to combat poverty and corruption. Each country needs to strike a balance amongst its priorities. He applauded expanded cooperation with Colombia as he believed there was much to learn from Colombia's experience. On Article 98, he noted the issue was more one of proper jurisdiction than protections. He supported making appropriate exceptions for friends and assured the VP that Southcom would look for opportunities to create and expand cooperation, particularly in the areas of counternarcotics and counterterrorism. He conveyed his desire to make available satellite imagery that Paraguay could then decide how most appropriate to use in dealing with potential threats.

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MOD Worried about Congressional Objections to Exercises  
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14. (SBU) In his meeting with General Craddock, MOD Gonzalez focused on opposition party objections to the exercises. The GOP supports continued exercises but he was concerned those opposed would once again misrepresent an agreement covering all exercises taking place in the course of 2007 to claim the U.S. military would maintain an uninterrupted presence in Paraguay during the entire year. He was also worried Congressional representatives would object to the protections we would seek for our soldiers on grounds they are inconsistent with Paraguay's obligations under the Rome Statute. He spoke of seeking Congressional approval on exercise by exercise basis but was prepared to explore a more mutually agreeable solution.

15. (SBU) General Craddock disavowed Gonzalez of his misunderstanding regarding the Rome Statute. Paraguay could remain faithful to its obligations under the Rome Statute and still extend protections to U.S. soldiers. He noted that a wide array of countries had extended U.S. soldiers the A&T status we sought to retain in Paraguay. He conveyed optimism about prospects for working out an approach suggesting we look at a one year agreement with reports to Congress every six months informing them of the status of the exercises.

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Kanazawa Concerned about Bolivarian Movement and Chavez  
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16. (SBU) In his meeting with General Craddock, the Commander of the Armed Forces, General Kanazawa raised his concerns about the Venezuelan Bolivarian Movement in Paraguay. Kanazawa stressed that Paraguay has nothing to do with Simon Bolivar because they did not obtain independence through Bolivar. He conceded, however, that there are some retired officers and various groups who are supporting the Bolivarian movement in Paraguay, including Monsignor Fernando Lugo's Citizen's Resistance organization, along with representatives

from the Country in Solidarity Party (PPS) and the Beloved Fatherland Party (PPQ). General Kanazawa also expressed irritation with visits to Paraguay by Venezuelan President Hugo Chavez. He mentioned that Chavez always meets with people with no affiliation with the government and believes Chavez is trying to foment dissent in Paraguay, especially in the interior. (NOTE: Venezuelan Embassy officials have met with Campesino groups as well as Monsignor Lugo. End Note. (reftel)) (Comment: Kanazawa supports military exercises but said that he was not prepared to go to Congress to defend them. The opposition's discontent with him has essentially branded him a lame duck commander who is not widely respected.

17. (C) COMMENT: VP Castiglioni burnished his credentials as a serious interlocutor who wants to work closely with us in meeting security challenges both in terms of transnational crime and emergent insurgent threats. Paraguay is strapped for resources. For a variety of political resources, its military is at a particular disadvantage in acquiring the resources it needs from Congress to meet a widening array of needs. A small investment to help Paraguay meet these challenges through the provision of assistance in the form of equipment including weapons and logistics could produce significant dividends in terms of contributing to a more stable, democratic Paraguay. We recognize some Paraguayan politicians oppose U.S. military exercises but share Gen. Craddock's optimism about finding a way to retain the support we need in Paraguay's Congress to continue the exercises on terms we find acceptable with regard to protections for our soldiers. End Comment.  
CASON